

UNIVERSITY OF SOUTH ALABAMA

DEFINITION OF SPONSORED PROJECTS

OVERVIEW

Extramural support may be received by University of South Alabama faculty and employees through either a sponsored project or a gift. Determining which mechanism is appropriate provides the necessary fiscal and regulatory management for the expenditure of those funds and fulfills the intent of the donor's wishes or the sponsor's Notice of Award document.

DEFINITION AND CRITERIA OF SPONSORED PROJECTS

A Sponsored Project is any externally funded research, instruction, public service or scholarly activity that has a defined scope of work and set of objectives which provide a basis for accountability and sponsor expectations. Typically a sponsored project is awarded by the sponsor through a Notice of Award document which specifies the terms and conditions of the award. If any one of the following characteristics applies to a project, including commitments made in the proposal or required in the award document, the award is classified as a sponsored project and must be processed through the Office of Sponsored Programs.

The Sponsor -

- is a federal, state, or local government or an agency serving as a flow-through of federal, state, or local government funds.
- is a business or industry with specified terms and conditions for the proposed project
- has written policies requiring F&A cost recoveries. The absence of an F&A recovery policy does not preclude the award from being a sponsored project.
- requires the delivery of specific goods or services by the University (e.g., technical assistance or training).

The Award Document -

- or proposal requires a signature from an authorized official binding the University to the terms and conditions of the project.
- contains provisions regarding ownership of intellectual properties, i.e., patents and copyrights.
- specifies deliverables such as technical, financial, invention, or procurement reports or milestones, timetables
- restricts payments contingent upon programmatic or fiscal reporting .
- includes budget restrictions (e.g., prior approval for re-budgeting and restrictions on certain budget categories, equipment or fringe benefits).
- includes a provision for audit.
- restricts or monitors publications or use of results.
- requires protection of sponsor and/or confidential information.

The Sponsored Project -

- involves the use of human subjects, vertebrate animals, radioisotopes on humans, radioactive materials, recombinant DNA, human body substances, etiologic agents or proprietary materials.

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A SPONSORED PROJECT IS NOT:

- A voluntary donation where –
 - the donation transmittal information does not include any of the conditions defining a sponsored project.
 - funds are given irrevocably.
 - personal property (e.g., cash, securities, books, equipment) is donated without expectation of tangible or economic (except tax) benefit.
- A transfer of property with no implied responsibility on the part of the University to provide the donor a product, service, technical or scientific report, intellectual property rights, or any other exchanges.
- Donations of real estate, even if initially dedicated for a specific sponsored project.
- Funds received directly by a faculty member (e.g., summer fellowships or travel grants).
- A project conducted as an external professional activity for pay as defined by the University Consulting Policy.
- Clinical trials sponsored by non-federal agencies.
- Honoraria – funds given directly to a faculty member by agreement not requiring administrative endorsement.
- Testing and service agreements processed through re-charge centers having a fee for service.
- Teaching and professional services provided by University faculty and staff to the public at large on a fee-for-service basis.
- Non-technical services to external organizations (e.g., lodging and food service to groups on campus; meeting facilities; sporting events).
- Unrestricted fellowships and/or scholarships made to the individual without requirement for institutional authorization or other restrictions.

DEFINITION AND CRITERIA OF GIFTS

Activities supported by a donor that are generally not considered sponsored projects and may be processed as gifts may include the following characteristics:

Gift funds -

- provide support for broadly defined activities, such as professorships, endowments, building projects, instructional programs, and unrestricted research. The donor may restrict the use of funds to a specific program area or purpose.
- stipulation contains only minimal requirements, generally relating to required donor pledge payments and the University's commitment to honor the donor's intent.
- require only minimal reporting to the donor in the form of a general statement of how funds were used. The unit or faculty member involved may provide the donor with a brief summary of the results of supported activities and/or a statement that expenditures were made in accord with the intent to the gift.
- are irrevocable.

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POLICY STATEMENT

All projects determined to be a sponsored project must be processed through the Office of Sponsored Programs. Activities supported by a donor that are generally not considered sponsored projects may be processed as gifts through the Office of University Development.

Questions regarding whether extramural funds are a sponsored project or a gift should be directed to the Office of Sponsored Programs. Further clarification on extramural funds classification should be brought before the Vice President for Research. When there is a reasonable question that the project could be classified as a gift, the Vice President for Research will confer with the Vice President for Development & Alumni Relations to determine project classification.

Sponsored projects are subject to Facilities and Administrative (F&A) Cost rate at the University's negotiated rate for specific type of activity and location. The University generally allows acceptance of a lower F&A Cost rate provided the sponsor has a written policy, uniformly applied, prohibiting or restricting F&A to a lower rate. This exception, however, does not apply to for-profit sponsors, who are expected to provide the full F&A Cost rate. The Office of the Vice President for Research is the final authority responsible for determining the acceptance of the F&A Cost rate.

CONTACT OFFICE

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OVERSIGHT

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